Opencut Mining Program

December 14, 2007

Subject: Portable, Inc. Amendment to Ogle-Valley Center Pit

To all interested parties:

Portable, Inc. applied in October 2007, to this department, to expand its Ogle-Valley Center operation by 10 acres. If approved, the amendment would provide raw material to continue this aggregate operation and extend final from 2014 to 2017. This pit is 1 mile west of Jackrabbit Road on Valley Center Road. Operations basically would continue as presently permitted. The crusher would remain in the Phase IV location behind the soil berm and material would be conveyed to it from the new 10-acre Phase V area just to the east.

The Draft Supplemental Environmental Assessment (EA) attached to this letter identifies and analyzes impacts of the expanded project. It has been mailed to all parties that have shown an interest in the project, including interested local residents, the Gallatin County Commissioners, and other local government agencies.

This Supplemental EA is available online at http://www.deq.mt.gov/ea/opencut.asp. If you have any questions, concerns, or comments, you can submit them to me:

- o by mail to 1371 Rimtop Drive, Billings, MT 59105;
- o by fax to 406-247-4440;
- o by e-mail to jostephen@mt.gov.; or
- o by phone at 406-247-4435.

All comments must be received by Friday, January 4, 2008.

Thank you.

Sincerely,

Jo Stephen Reclamation Specialist

JS/db

DEQ OPENCUT MINING PROGRAM

SUPPLEMENTAL ENVIRONMENTAL ASSESSMENT

Proponent: Portable, Inc

Site: Valley Central (Ogle) Gravel Pit

Legal: NWSW of Sec. 23, T1S, R4E

County: Gallatin

Approved Permit and Amendment #'s: 00339, Amendment # 1, 5, and 6

Type and Purpose of Action: Operator has applied for an amendment to add 10 acres to the permit area for mining. The new area is immediately east of the last amendment, the 9.7-acre area on the north side of the old railroad grade. This additional 10 acres would increase the total permitted area to 36 acres and allow mining of an additional 756,000 cubic yards of material. The final reclamation date would be extended from 2014 to 2017. The existing plan of operation is applicable to this amendment area. The bond amount was increased to \$33,479.00, and is sufficient for whole permit area.

Mining and Permitting History of the Site: The site was originally permitted for 30 acres in 1978. Amendments for additional acreage were approved in 1996 and 2004. The plan of operation was updated in 2004 when 9.7 acres were added. Full bond release on 28.6 acres of ponds and an additional 20.1 acres for industrial/commercial use of hardscape/facilities areas was granted in 2004. Total land in the existing permit and amendment areas is currently 26.0 acres. This includes a portion of Phase III, road and conveyor belt areas, and 9.3 acres north of the old railroad grade.

Potential Impacts and Mitigation: The conclusions from the RAM Environmental hydrologic report of 1996 that pit dewatering would have no impact to surrounding wells or groundwater seem to have been confirmed. DEQ has not received any complaints about groundwater in the last 11 years. Discharge water from the Phase IV pit was returned to the pond in Phase III where it reinfiltrates and recharges local groundwater supplies. Phase V is adjacent to both Phases III and IV. Following the existing water management plan in the new area is expected to have minimal impacts.

Phases IV and V are contiguous. The soil berm would be extended along the northern boundary of Phases IV and V. The crusher would remain in Phase IV behind the sound berm. Material would be transported from Phase V by loader or conveyor. Because activities would remain in the present location or be farther away from local residents, noise and visual impacts are expected to remain the same or be reduced.

Hours of operation would remain as they are now: 6 a.m. to 6 p.m., Monday through Saturday.

The 10-acre Amendment #7 area is presently used for hay production. Most of the 10 acres would be permanently removed from agricultural production. At final reclamation the majority of this area would be a pond. Reclamation to ponds of previous mining areas in this permit has been highly successful as fish, waterfowl, and wildlife habitat. Trout fisheries are established in Ponds I and II. Cormorants, pelicans, ducks, geese and numerous shorebirds use these ponds annually, even though they are near active gravel operations. Shorelines, the railroad grade, and surrounding land harbor deer, fox, and numerous other wildlife species. Full bond release has been given on over 28 acres of these areas. It is expected that reclamation of Phase IV and V ponds would be equally successful.

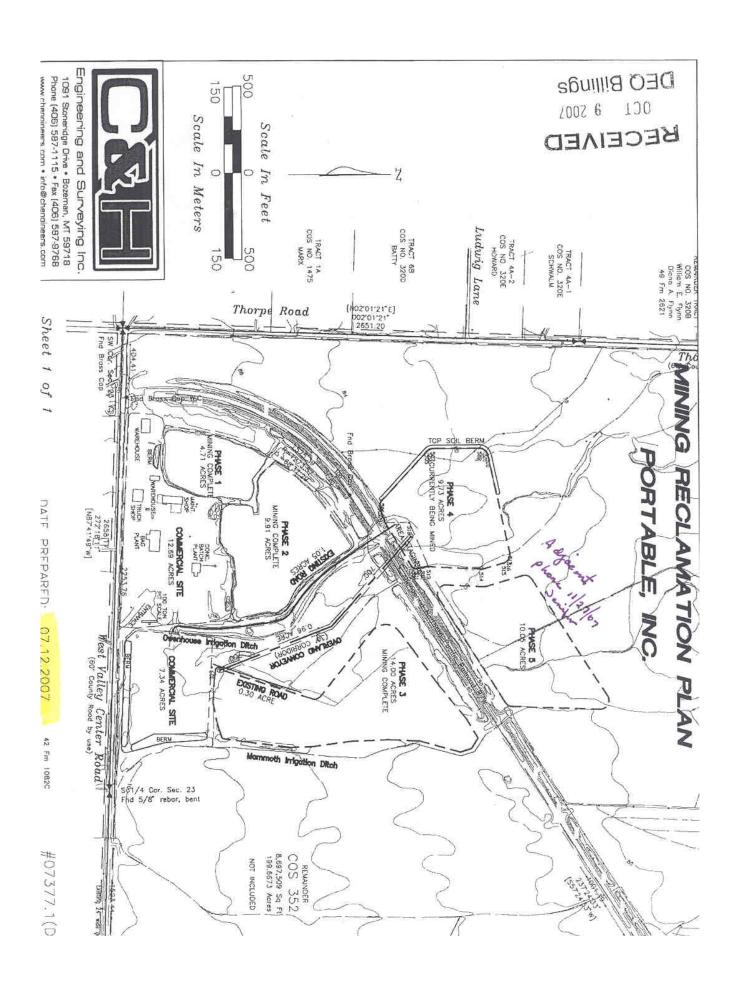
Approval of this amendment would allow continuation of the existing operation at approximately the same activity levels. Mining the 800,000 yards of material from the 1996 amendment was completed by 2004. The Phase IV amendment for 275,000 yards has been exhausted in the last three years. Extending the mining of 756,000 yards of material from Phase V over the next 10 years would result in approximately the same removal rates. Daily work and traffic levels would be approximately the same. It is unknown if or when expansion of Jackrabbit Lane and installation of traffic signals would occur. Therefore, it is unknown if traffic patterns would change.

Since 2004 the Dykstra Pit has been permitted approximately 2½ miles to the east off East Hulbert Road and two applications have been received for new pits at the corner of Cameron Bridge and South Alaska Roads. An application for amendment was received in 2003 for the Marx Pit 2 miles to the east near the intersection of Valley Central Road and Alaska South Roads, but that was placed on hold at the request of the applicant. As yet no analysis or approval action has been taken on these applications. Before any action would be taken on the Marx request, new application materials would be required. Should these applications be approved the largest impact in the vicinity would most likely be to increase traffic levels on Cameron Bridge and Valley Center Roads east, and west to Jackrabbit Lane. Dykstra pit traffic must go to Jackrabbit Lane because of a bridge restriction to the east.

Portable, Inc. would operate the proposed Nistler pit on Highline Road 4 miles to the west if it were approved. That application is for a relatively full-service aggregate operation. It is unknown if there would be any substantial connection between these two sites.

The proponent would be legally bound by his permit to reclaim the site. The previous environmental assessment and supplemental assessments are applicable to this action.

Prepared by Jo Stephen, December 2007





ENVIRONMENTAL ASSESSMENT

PROPONENT: Portable, Inc.					NAME:	Valley Center Pit - Belgrade
LOCATION: NWSW, Section	on 23, Townsh	ip 1S	, Ra	ange 4E		COUNTY: Gallatin
TYPE AND PURPOSE OF ACT Supplemental EA for Portable, Pit by 9.73 acres. The new are	Inc. submitte	ed an	an	nendmen	t to expand	d its active mining area in the Valley Central oad R/W from Phases II (fully reclaimed)
and III (currently being mined). The area w	ould	inc	lude abo	nt 6 acres	for mining, 1 acre for a noise/visual berm,
and 1 acre each for conveyor a	nd road corr	idors	. A	bout 275	.000 vards	s of material would be mined and crushed in
the new area, and otherwise pr	ocessed at the	e exis	ting	g perman	ent faciliti	es area.
	ts. B: Insignif	icant	as a	result of	conditione	ed mitigation. C: Insignificant as proposed.
	PO	TEN	TL	AL IMPA	CTS ANI	MITIGATION MEASURES
	A	В	С	LONG TERM	SHORT TERM	EXPLANATION
PHYSICAL ENVIRONMENT						
1. TOPOGRAPHY			\boxtimes			Reclamation plan calls for mined areas to be left as ponds. Two phases have already been successfully reclaimed as such.
2. GEOLOGY; Stability			\boxtimes	\boxtimes		Permanent removal of materials.
3. <u>SOILS</u> ; Quality, Distribution			\boxtimes		\boxtimes	Salvaged and stockpiled in visual berm. Replaced at reclamation on any hardstand areas and down to the high water mark on the pond.
WATER; Quality, Quantity; Distribution			\boxtimes			The hydrologic study from 1996 is still current and the expected impact predictions are accurate. A dewatering cone of depression would not impact any of the neighbors. Material would be washed at the existing facility in Phase III. Permanent ponds would be left very similar to Phases I and II which have received total reclamation release.
5. AIR; Quality			\boxtimes		\boxtimes	All necessary equipment is permitted.
6. <u>UNIQUE</u> , ENDANGERED, FRAGILE, or LIMITED environmental resources			×			None identified.
BIOLOGICAL ENVIRONME	NT					
TERRESTRIAL, AVIAN, and AQUATIC; species and habita	nts		×			Amendment area would temporarily remove habitat but the reclamation activities in Phases I and II have greatly improved both aquatic and land habitats.
2. <u>VEGETATION</u> ; Quantity, quasipecies	ality,		X			Previously farmed. By following the approved weed plan noxious weeds are successfully being controlled. The main infestations left are along the railroad R/W.

		-	,			
3. AGRICULTURE; grazing, crops, production						Area has not been used for several years.
	PO	OTE	ENT	TAL IM	PACTS A	ND MITIGATION MEASURES
	A	В	С	LONG TERM	SHORT TERM	EXPLANATION
HUMAN ENVIRONMENT					•	
SOCIAL, structures and mores			\boxtimes		\boxtimes	
2. <u>CULTURAL</u> ; Uniqueness, diversity			\boxtimes			U.
POPULATION; quantity and diversity			\boxtimes		\boxtimes	
HOUSING; quantity and distribution			\boxtimes		\boxtimes	
5. HUMAN HEALTH & SAFETY			\boxtimes		\boxtimes	
6. COMMUNITY & PERSONAL INCOME					\boxtimes	
7. EMPLOYMENT; quantity and	Г	П				
8. TAX BASE; local and state tax						The public raises the issue of nearby property
9. GOVERNMENT SERVICES;						devaluation but there is no evidence that this occurs. Jim Fairbanks, Region 3 Manager of the Montana Department of Revenue, Property Assessment Division said in 1998: "In the course of responding to valuation challenges of ad valorem tax appraisals, your reviewer has encountered similar arguments from Missoula County taxpayers regarding the presumed negative influence of gravel pits, BPA power lines, neighborhood character change, and traffic and other nuisances. In virtually ALL cases, negative value impacts were not measurable. Potential purchasers accept newly created minor nuisances that long-time residents consider value diminishing."
demand			\boxtimes			
10. INDUSTRIAL, COMMERCIAL and AGRICULTURAL activities			\boxtimes			
11. <u>HISTORICAL AND</u> ARCHAEOLOGICAL			\boxtimes		\boxtimes	
12. AESTHETICS						One citizen complained that he could hear the operation at his home about 1,000 feet away. This home has been constructed in the last few years. The mine has been permitted since 1977. Operating hours are from 6 a m to 6 p m 6 days a week. The pit does not operate on Sundays. The crusher would be placed in the new area about 2 feet below present ground level. A visual/noise berm about 14 feet high would be constructed between the nearest houses to

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4						the west and the new area. This mitigation is sufficient under the Opencut Act. But Portable has also hired an accoustical engineering firm to research other methods of reducing noise impacts from the mine and released hardscape area that no longer is regulated by this program.	
13. ENVIRONMENTAL PLANS and GOALS; local and regional						Belgrade area - no zoning.	
14. <u>DEMANDS</u> on <u>ENVIRON-MENTAL RESOURCES</u> of land, water, air and energy			\boxtimes				
15. TRANSPORTATION; networks and traffic flows			\boxtimes			Some citizens have complained that traffic would increase on Thorpe Road. The site has been mined since 1977. The commercial and hardstand areas are in the same locations with the same entrance onto Valley Center Road. Most of the traffic goes east toward Jackrabbit Road. There is no reason to suspect that there would be an increase in traffic or that an increased amount of traffic would turn west and get onto Thorpe Road.	
ALTERNATIVES CONSIDERED: No Action - Denial PUBLIC INVOLVEMENT: Belgrade Planner, Gallatin County Weed Board, Gallatin County Commissioners, several							
local citizens		, Ga	пап	n County	weed Board	d, Gallatin County Commissioners, several	
OTHER GROUPS OR AGENCIES CONTA	ACT	ED	OR	WHICH N	MAY HAVI	E OVERLAPPING JURISDICITON:	
REGULATORY IMPACT ON PRIVATE F	PRO	PER	TY:				
RECOMMENDATION FOR FURTHER ENVIRONMENTAL ANALYSIS: □ EIS □ MORE DETAILED EA □ NO FURTHER ANALYSIS							
INDIVIDUALS OR GROUPS CONTRIBUTING TO THIS EA: The original EA from 1996 is still applicable.							
Written By: Stophy by fart Baoks Date: 3-9-04							
Approved By:							
*							

PROPERTY	DESCRIPTION:	SW1/4SW1/4, Sec.23, 7	T 1 S, R 4 E, Gallatin	County
COMPANY	NAME: Portable,	Inc.		
DA TE :	3/12/04	PREPARED BY:	Jerry Burke	

PRIVATE PROPERTY ASSESSMENT ACT CHECKLIST

DOES THE PROPOSED AGENCY ACTION HAVE TAKINGS IMPLICATIONS UNDER THE PRIVATE ASSESSMENT ACT?

YES	NO	
		Does the action pertain to land or water management or environmental regulation affecting private real property or water rights?
		Does the action result in either a permanent or indefinite physical occupation of private property?
		Does the action deprive the owner of all economically viable uses of the property?
	\mathbb{K}	4. Does the action deny a fundamental attribute of ownership?
		5. Does the action require a property owner to dedicate a portion of property or to grant an easement? (If answer is NO, skip questions 5a and 5b and continue with question 6.)
		5a. Is there a reasonable, specific connection between the government requirement and legitimate state interests?
		5b. Is the government requirement roughly proportional to the impact of the proposed use of the property?
. 1	X	6. Does the action have a severe impact on the value of the property?
		7. Does the action damage the property by causing some physical disturbance with respect to the property in excess of that sustained by the public generally? (If the answer is NO, skip questions 7a-7c)
		7a. Is the impact of government action direct, peculiar, and significant?
		7b. Has the government action resulted in the property becoming practically inaccessible, waterlogged, or flooded?
		7c. Has the government action diminished property values by more than 30% and necessitated the physical taking of adjacent property or property across a public way from the property in question?

Taking or damaging implications exist if YES is checked in response to question 1 and also to any one or more of the following questions: 2, 3, 4, 6, 7a, 7b, 7c; or if NO is checked in response to questions 5a or 5b.

If taking or damaging implications exist, the agency must comply with § 5 of the Private Property Assessment Act, to include the preparation of a taking or damaging impact assessment. Normally, the preparation of an impact assessment will require consultation with agency legal staff.

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ENVIRONMENTAL ASSESSMENT From APRIL, 1996

Project Name: Belgrade Gravel Pit Proposed Implementation Date: Ongoing

Proponent: Portable Inc. Gravel Co.

Type and Purpose of Action: Portable will expand their current operation to mine 800,000 cu.yds of sand and gravel to supply the local market with various products. Portable would salvage soils, install pumps to dewater the sites, mine sand and gravel, recontour, creating two 8 acre ponds up to 45 feet deep that would be utilized for recreation and wildlife habitat. The slopes above the highwater line and the 7.3 acres of hardstand areas, crusher site, and mineral stockpile locations will be topsoiled and seeded and reclaimed as a portion of a golf course and home sites.

Location: SE¼SW¼, Sec. 23, T1S, R4E County: Gallatin

N = Not present or No Impact will occur.

Y = Impacts may occur (explain under Potential Impacts).

IMPACTS ON THE PHYSICAL ENVIRONMENT					
RESOURCE	[Y/N] POTENTIAL IMPACTS AND MITIGATION MEASURES				
1. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE: Are fragile, compactible or unstable soils present? Are there unusual geologic features? Are there special reclamation considerations?	[Y] The proposed site lies on a relatively level portion of the Gallatin River Valley. This area is an alluvial deposit consisting of silt, sand and gravel and is of Quaternary age. Soils are classified as a Beaverall cobbly loam. The upper horizon is 0 to 7 inches deep and is a dark grayish brown cobbly loam. There are inclusions which have 35 to 60 percent rock fragments in the surface layer. The next lower horizons are of a dark grayish brown very gravelly sandy clay loam and are 7 to 11 inches deep. A minimum of 6 inches of soil would be replaced on the pond shorelines, crusher site, hardstand areas, and mineral stockpile sites following recontouring. Microbes should recolonize the soils when they have been replaced.				
2. WATER QUALITY, QUANTITY AND DISTRIBUTION: Are important surface or groundwater resources present? Is there potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality?	[Y] The nearest surface waters are two irrigation ditches. The Owenhouse (Ketterer) Ditch is to the west of the expansion and immediately east of the existing operation. The Mammoth Ditch is located immediately east of the expansion. Neither ditch should be impacted by the expansion. The groundwater level varies seasonably between 3 feet to 13 feet below the existing ground surface. Three monitoring wells were drilled on the site and the transmissivity as measured in the wells indicated that the transmissivity varied from 3,720,000 to 42,200,000 gpd/ft in this area and that water quality is very good. The groundwater flows from the south to the north. The operator will dewater the pits by placing pumps into sumps located in the pits. The intakes of the pumps would be suspended to help prevent sediment from being picked up and discharged. According to the hydrology report approximately 1,800 - 3000 gpm will have to be pumped from the area to dewater the site. The water will be discharged to the west through pipes into a reclaimed gravel pit which is a pond. The applicant did not have to secure a discharge permit from the Water Quality Division of DEQ. There are no water wells which would be impacted by the dewatering of the site. Upon completion of pumping the ground water will return to its premine level within a short period of time. The applicant has constructed impermeable fueling and fuel storage areas to contain any leaks of petroleum based products next to Portable's shop complex located to the southwest.				

3. AIR QUALITY: Will pollutants or particulate be produced? Is the project influenced by air quality regulations or zones (Class I airshed)?	[N] There will be an increase in airborne particulates while the soil is being salvaged, the gravel being crushed and hauled, and soil replaced. The applicant has secured an Air Quality Permit from the Montana Dept. of Health and Environmental Sciences Air Quality Bureau and must abide with all applicable air quality guidelines. The gravel will be wet when it is mined and this will help meet air quality standards. If required, spray bars will be placed on the crusher to suppress dust. The hard stand areas, soil stockpiles, and haul roads will be watered as necessary.
4. VEGETATION COVER, QUANTITY AND	[Y] Existing vegetation will be removed with the soil. Some roots may remain
QUALITY: Will vegetative communities be	viable in the soil stockpile and regenerate upon replacement. The applicant will
permanently altered? Are any rare plants or cover	seed all affected land to species compatible with the post mine land use. The
types present?	site has been planted with non native species and no rare or threatened plants
	are present.
5. TERRESTRIAL, AVIAN AND AQUATIC LIFE	[N] The location of the proposed operation precludes the significant use of
AND HABITATS: Is there substantial use of the area	wildlife, although it would be expected to receive transient use by various avian
by important wildlife, birds or fish?	species and some rodents.
6. UNIQUE, ENDANGERED, FRAGILE OR	[N] No threatened or endangered plant or animal species present on this site.
LIMITED ENVIRONMENTAL RESOURCES: Are	There is no wetland present on the site. The site is a hayfield containing
any federally listed threatened or endangered species or	introduced grass species.
identified habitat present? Any wetlands? Species of	
special concern?	
7. HISTORICAL AND ARCHAEOLOGICAL	[N] A field reconnaissance survey did not reveal the presence of any
SITES: Are any historical, archaeological or	archaeologic or historic values. Should significant archaeological or historical
paleontological resources present?	values be found, the operation will be routed around the site of discovery for a
	reasonable time until salvage can be made. The State Historical Preservation
	Office will be promptly notified.
8. AESTHETICS: Is the project on a prominent	[Y] During the mining phase, the site will be visually deteriorated, however,
topographic feature? Will it be visible from populated	following reclamation, well designed, natural looking ponds will be in place.
or scenic areas? Will there be excessive noise or light?	(h.v)
9. DEMANDS ON ENVIRONMENTAL	[N]
RESOURCES OF LAND, WATER, AIR OR	
ENERGY: Will the project use resources that are	
limited in the area? Are there other activities nearby	
that will affect the project?	(hard
10. IMPACTS ON OTHER ENVIRONMENTAL	[N]
RESOURCES: Are there other studies, plans or	
projects on this tract?	

IMPACTS ON THE HUMAN POPULATION			
RESOURCE	POTENTIAL IMPACTS AND MITIGATION MEASURES		
11. HUMAN HEALTH AND SAFETY: Will this project add to health and safety risks in the area?	[Y] The use of heavy mining and hauling equipment increases the risk of accidents. However, the applicant must comply with OSHA and MSHA regulations and it is expected that safety considerations will be given the utmost attention.		
12. INDUSTRIAL, COMMERCIAL AND AGRICULTURAL ACTIVITIES AND PRODUCTION: Will the project add to or alter these activities?	[Y] 23.7 acres will be permanently removed from agricultural (grazing and hay production) where the ponds, golf course and home sites will be created. However ponds will be created for recreation, waterfowl and fishery habitat. And the area around the ponds will be developed for home sites and a golf course.		

13. QUANTITY AND DISTRIBUTION OF	[N]
EMPLOYMENT: Will the project create, move or	
eliminate jobs? If so, estimated number.	
14. LOCAL AND STATE TAX BASE AND TAX	[N]
REVENUES: Will the project create or eliminate tax	
revenue?	
15. DEMAND FOR GOVERNMENT SERVICES:	[N] The site will require periodic site evaluations by DSL staff, however they
Will substantial traffic be added to existing roads? Will	would generally be conducted in conjunction with other regional sites.
other services (fire protection, police, schools, etc) be	
needed?	
16. LOCALLY ADOPTED ENVIRONMENTAL	[N] There is no zoning on the site.
PLANS AND GOALS: Are there State, County, City,	
USFS, BLM, Tribal, etc. zoning or management plans	
in effect?	
17. ACCESS TO AND QUALITY OF	[N]
RECREATIONAL AND WILDERNESS	
ACTIVITIES: Are wilderness or recreational areas	
nearby or accessed through this tract? Is there	
recreational potential within the tract?	
18. DENSITY AND DISTRIBUTION OF	[N]
POPULATION AND HOUSING: Will the project	
add to the population and require additional housing?	
19. SOCIAL STRUCTURES AND MORES: Is	[N]
some disruption of native or traditional lifestyles or	
communities possible?	
20. CULTURAL UNIQUENESS AND	[N]
DIVERSITY: Will the action cause a shift in some	
unique quality of the area?	
21. OTHER APPROPRIATE SOCIAL AND	[N]
ECONOMIC CIRCUMSTANCES:	

22. Alternatives Considered:

and fuels consumed Alternative # 1: Denial.

The owner of the gravel resource would be denied utilization of his property at this time.

- 23. Public Involvement, Agencies, Groups or Individuals contacted: Gallatin Co. Weed Board and Road Department.
- **24.** Other Governmental Agencies with Jurisdiction, List of Permits Needed: Gallatin County for Zoning Compliance, Water Quality Division, Air Quality Division, MSHA and OSHA for safety permits.
- **25. Magnitude and Significance of Potential Impacts:** Not applicable. A finding of significance is relevant only to the requirement to prepare an EIS under MEPA. However, the statutory time constraints of the Opencut Mining Act preclude preparation of an EIS. Therefore, no such finding is necessary here.
- **26.** Regulatory Impact on Private Property: The analysis conducted in response to the Private Property Assessment Act indicates no impact.

${\bf Recommendation\ for\ Further\ Environmental\ Analysis:}$

[] EIS	[] More Detailed EA	[X] No Furthe	er Analysis
EA Checklist Prepared By:Je Name		Title	Mine Reclamation Specialist
Approved By:Steve Welch Name		Chief, Opencut Bureau_ Title	
	Signature		